



**Billing Code 3510-07-P**

## **DEPARTMENT OF COMMERCE**

### **Census Bureau**

#### **Agency Information Collection Activities; Submission to the Office of Management and Budget (OMB) for Review and Approval; Comment Request; Annual Integrated Economic Survey**

**AGENCY:** Census Bureau, Commerce.

**ACTION:** Notice of Information Collection, request for comment.

**SUMMARY:** The Department of Commerce, in accordance with the Paperwork Reduction Act (PRA) of 1995, invites the general public and other Federal agencies to comment on proposed, and continuing information collections, which helps us assess the impact of our information collection requirements and minimize the public's reporting burden. The purpose of this notice is to allow for 60 days of public comment on the proposed new survey, the Annual Integrated Economic Survey (AIES), prior to the submission of the information collection request (ICR) to OMB for approval.

**DATES:** To ensure consideration, comments regarding this proposed information collection must be received on or before **[Insert date 60 days after date of publication in the FEDERAL REGISTER]**.

**ADDRESSES:** Interested persons are invited to submit written comments by email to [Thomas.J.Smith@census.gov](mailto:Thomas.J.Smith@census.gov). Please reference Annual Integrated Economic Survey (AIES) in the subject line of your comments. You may also submit comments, identified by Docket Number USBC-2022-0024, to the Federal e-Rulemaking Portal: <http://www.regulations.gov>. All comments received are part of the public record. No comments will be posted to <http://www.regulations.gov> for public viewing until after the comment period has closed.

Comments will generally be posted without change. All Personally Identifiable Information (for

example, name and address) voluntarily submitted by the commenter may be publicly accessible. Do not submit Confidential Business Information or otherwise sensitive or protected information. You may submit attachments to electronic comments in Microsoft Word, Excel, or Adobe PDF file formats.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or specific questions related to collection activities should be directed to Blynda Metcalf, U.S. Census Bureau, Associate Directorate for Economic Programs (ADEP) by phone (301) 763-4781, or by e-mail at [Blynda.K.Metcalf@census.gov](mailto:Blynda.K.Metcalf@census.gov).

**SUPPLEMENTARY INFORMATION:**

*I. Abstract*

The Census Bureau plans to conduct the AIES on an annual basis, beginning for survey year 2023 (collected in calendar year 2024) and a Dress Rehearsal for the AIES for survey year 2022 (collected in calendar year 2023). The AIES is a new survey designed to integrate and replace seven existing annual business surveys into one survey. The AIES will provide the only comprehensive national and subnational data on business revenues, expenses, and assets on an annual basis. The AIES is designed to combine Census Bureau collections to reduce respondent burden, increase data quality, and allow the Census Bureau to operate more efficiently to reduce costs. The existing collections integrated into the AIES are the Annual Retail Trade Survey (ARTS), Annual Wholesale Trade Survey (AWTS), Service Annual Survey (SAS), Annual Survey of Manufactures (ASM), Annual Capital Expenditures Survey (ACES), Manufacturer's Unfilled Orders Survey (M3UFO), and the Report of Organization. The ARTS has been conducted annually since 1951 to collect sales, expenses, and other items for the retail sector of the economy. The AWTS has been conducted annually since 1978 to collect data on sales, inventories, operational expenses, and purchases for wholesale trade. The SAS has been conducted annually since 1982 to collect revenues and other measures for most traditional service industries. The ASM has been conducted annually since 1948 to collect revenues,

expenses, capital expenditures, fuels and electric energy used, and inventories in the manufacturing sector. The ACES has been conducted annually since 1996 to collect capital spending for new and used structures and equipment in agriculture, construction, mining, manufacturing, retail, wholesale, and service sectors. The M3UFO began collecting manufacturing revenue and unfilled orders data in 2010. The Report of Organization has been collecting information on organization and structure of firms to maintain the Business Register on an annual basis since 1973.

Estimates currently published in ARTS, AWTS, SAS, ASM, and ACES will be produced as part of the AIES and expanded to include subnational data across the economy. Previously, the ASM (manufacturing) was the only annual survey being integrated into AIES that produced subnational data. AIES will produce subnational data for manufacturing, retail, wholesale, and service sectors if quality standards are met. The AIES information previously collected on the Report of Organization will continue to be used to update the Business Register, and the AIES data previously collected on the M3UFO will continue to be used for the Manufacturers' Shipments, Inventories, and Orders (M3) Survey benchmarking purposes. Data users will be able to access the AIES estimates through the use of visualizations and [data.census.gov](https://data.census.gov). Private businesses, organizations, industry analysts, educators and students, and economic researchers have used the data and estimates provided by these seven existing collections for analyzing and conducting impact evaluations on past and current economic performance, short-term economic forecasts, productivity, long-term economic growth, market analysis, tax policy, capacity utilization, business fixed capital stocks and capital formation, domestic and international competitiveness trade policy, product development, market research, and financial analysis. Trade and professional organizations have used the estimates to analyze industry trends and benchmark their own statistical programs, develop forecasts, and evaluate regulatory requirements. Government program officials and agencies have used the data for research, economic policy making, and forecasting. Based on the use of the data of the existing

collections, estimates produced from the AIES will serve as a benchmark for Census Bureau indicator programs, such as the Advance Monthly Sales for Retail and Food Services (MARTS), the Monthly Retail Trade Survey (MRTS), Manufacturers' Shipments Inventories & Orders (M3), Monthly Wholesale Trade Survey (MWTS), and the Quarterly Services Survey (QSS). Like the previous collections, the AIES will provide updates to the Longitudinal Research Database (LRD), and Census Bureau staff and academic researchers with special sworn status will continue to use the LRD for micro data analysis. The Census Bureau will also continue to use information collected in the AIES to update and maintain the centralized, multipurpose Business Register that provides sampling populations and enumeration lists for the Census Bureau's economic surveys and censuses. The Bureau of Economic Analysis (BEA) will continue to use the estimates to derive industry output for the input-output accounts and for the gross domestic product (GDP). We expect that the Bureau of Labor Statistics (BLS) will continue to use the data as input to its Producer Price Index (PPI) and in developing productivity measurements; the Federal Reserve Board (FRB) will continue to use the data to prepare the Index of Industrial Production, to improve estimates of investment indicators for monetary policy, and in monitoring retail credit lending; the Centers for Medicare and Medicaid Services (CMS) will continue to use the data to estimate expenditures for the National Health Accounts and for monitoring and evaluating healthcare industries; and the Department of the Treasury will continue use the data to analyze depreciation and to research economic trends.

The AIES covers domestic, nonfarm employer businesses with operations during the survey year. Non-employer businesses are not within the scope of this new AIES. The Census Bureau will submit a separate request for approval to collect data from non-employer businesses, if it is determined that a collection is needed to produce those estimates.

The AIES will collect the following information from employer businesses in sample:

- Business characteristics, including employment, operating status, organizational change, ownership information, and co-op status

- Business classification, including business activity, type of operation, and tax status
- Revenue, including sales, shipments, and receipts, revenue by class of customer, taxes, contributions, gifts, and grants, products, and e-commerce activity
- Operating expenses, including purchased services, payroll, benefits, rental payments, utilities, interest, resales, equipment, materials and supplies, research and development, and other detailed operating expenses
- Assets, including capital expenditures, inventories, and depreciable assets
- Robotic equipment

Additional topics of collections in the AIES include sources of revenue for providers (e.g., hospitals and other businesses in the health industry) of select services such as inpatient days, outpatient visits to hospitals, patient visits for other selected health industries, revenue from telemedicine services, and expenses for electronic health records. Product data will be collected from businesses operating in manufacturing and services industries. Merchandise lines data will be collected from businesses operating in select retail industries will collect merchandise lines data. Detailed inventories will be collected for trucks, truck tractors, and trailers.

The AIES may include new questions each year based on relevant business topics. Potential topics for such new questions could include technological advances, management and business practices, exporting practices, and globalization. Any new questions will be submitted to OMB for review using the appropriate clearance vehicle.

In 2020 and 2021, research was conducted on the potential impacts of a coordinated collection of SAS, ARTS, and AWTS. This coordinated collection research was designed to investigate the impact of implementing the existing contact strategy that encompassed multiple survey requests. Following this coordinated collection research effort, approximately 19 interviews were conducted with nonrespondents, and 35 interviews were conducted with respondents. In 2021, AIES data accessibility and recordkeeping studies were conducted with

about 60 companies. In 2022, a pilot AIES survey was administered to 78 companies, including 2,863 establishments, to test the respondent experience; the pilot AIES survey focused on the layout and design of the collection instrument and harmonized content. From the pilot survey, 10 interviews were conducted with respondents, and 15 Response Analysis Surveys (RAS) were completed by respondents. Cognitive testing encompassing survey structure, instrument design, and respondent reporting process was conducted with about 40 companies in 2022. Usability testing on the electronic collection instrument will be conducted with up to 30 companies at the end of 2022 and will continue into 2023. A Phase II pilot will be conducted in February 2023 with approximately 562 companies. Phase II will follow the same model as the first pilot with debriefing interviews and a response analysis survey planned. In the Spring of 2023, we also plan to conduct Large Firm Response Research with up to 35 of the largest firms in the AIES sample. All the afore-mentioned work has been, or will be, conducted under the Census Bureau's Generic clearance for Field Tests and Evaluations (OMB# 0607-0971) or the Generic Clearance for Questionnaire Pretesting Research (OMB# 0607-0725).

In June of 2023, the Census Bureau plans to conduct a Dress Rehearsal for the AIES with up to 10,000 companies. The Dress Rehearsal will be large-scale test of the forms and procedures planned for the AIES. The burden estimate is 3 hours and 47 minutes per respondent. The Dress rehearsal will allow us to examine patterns of non-response and to determine what additional support respondents will need. Paradata gathered from respondents' interactions with the online collection instrument during the Dress Rehearsal will help refine our burden estimate. We will also compare the quality of responses received to historic data collected in the 7 surveys the AIES will replace. Up to 30 debriefing interviews with respondents will also be conducted.

The total annual reporting burden for the Dress Rehearsal will be 37,786 hours (10,000 x 3 hours and 47 minutes). Debriefing interviews will take approximately 1 hour each and will add 30 hours to this total.

To minimize the burden imposed on respondents already in sample for the seven annual surveys the AIES will replace, we will use the AIES responses from companies that participate in the Dress Rehearsal to satisfy their reporting requirement for the annual surveys for which they are in sample for the 2022 survey year. Given that the AIES Dress Rehearsal will be conducted during the same calendar year as we will be conducting the 2022 Economic Census, we may use AIES Dress Rehearsal to supplement Economic Census responses, pursuant to 13 U.S.C. §193.

After conclusion of the Dress Rehearsal, and based on refinements made to forms and procedures, the Census Bureau will begin conducting the full-scale AIES in 2024. The AIES will select a stratified sequential random sample of 380,199 companies from a frame of approximately 5.4 million companies constructed from the Business Register, which is the Census Bureau's master business list. The AIES will impose an estimated 1,436,619 hours of annual reporting burden (380,199 x 3 hours and 47 minutes). If the current sample size or burden estimate changes, based on our analysis of paradata information gathered during the Dress Rehearsal, the Census Bureau will submit a request to adjust the burden using the appropriate clearance vehicle. Businesses which reported business activity on Internal Revenue Service tax forms 941, "Employer's Quarterly Federal Tax Return"; 944, "Employer's Annual Federal Tax Return"; 1065 "U.S. Return of Partnership Income"; or any one of the 1120 corporate tax forms will be eligible for selection.

The AIES will replace the ARTS, AWTS, SAS, ASM, ACES, M3UFO, and the Report of Organization in survey year 2023, at which time the Census Bureau will discontinue these collections.

## *II. Method of Collection*

The AIES Dress Rehearsal conducted for survey year 2022 and the AIES conducted for survey year 2023 and beyond will be collected using Centurion, the Census Bureau's secure online survey collection tool. Respondents will receive an email and/or letter notifying them of

their requirement to respond and how to access the survey. Responses will be due approximately 30 days from receipt. Select businesses will receive a due date reminder via a letter or email prior to the due date. Additionally, email follow-ups and up to three mail follow-ups to nonrespondents will be conducted at approximately one-month intervals. Selected nonrespondents will receive a priority class mailing for the third follow-up if needed. Selected nonrespondents will also receive follow-up telephone calls.

### *III. Data*

*OMB Control Number:* 0607-XXXX.

*Type of Review:* Regular submission, new collection.

*Affected Public:* Businesses, or other for profit or non-profit institutions or organizations.

*Estimated Number of Respondents:* Dress Rehearsal - 10,000 companies; AIES - 380,199 companies.

*Estimated Time Per Response:* 3 hours and 47 minutes per company.

*Estimated Total Annual Burden Hours:* Dress Rehearsal – 37,816; AIES - 1,436,619.

*Estimated Total Annual Cost to Public:* \$0. (This is not the cost of respondents' time, but the indirect costs respondents may incur for such things as purchases of specialized software or hardware needed to report, or expenditures for accounting or records maintenance services required specifically by the collection.)

*Respondent's Obligation:* Mandatory.

*Legal Authority:* Title 13 U.S.C. Sections 131, 182, and 193.

### *IV. Request for Comments*

We are soliciting public comments to permit the Department/Bureau to: (a) Evaluate whether the proposed information collection is necessary for the proper functions of the Department, including whether the information will have practical utility; (b) Evaluate the accuracy of our estimate of the time and cost burden for this proposed collection, including the validity of the methodology and assumptions used; (c) Evaluate ways to enhance the quality,



utility, and clarity of the information to be collected; and (d) Minimize the reporting burden on those who are to respond, including the use of automated collection techniques or other forms of information technology.

Comments that you submit in response to this notice are a matter of public record. We will include, or summarize, each comment in our request to OMB to approve this ICR. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you may ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

**Sheleen Dumas,**

*Department PRA Clearance Officer, Office of the Chief Information Officer, Commerce Department.*

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